

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 221582

20

ORIGIN EA-07

INFO OCT-01 ISO-00 SP-02 AID-05 EB-03 NSC-07 RSC-01

CIEP-01 TRSE-00 SS-14 STR-01 OMB-01 CEA-01 AGR-03

CIAE-00 COME-00 FRB-01 INR-10 NSAE-00 XMB-01 OPIC-02

LAB-01 SIL-01 SWF-01 L-02 /066 R

DRAFTED BY EA/TB - CLSTERMER:MFG

APPROVED BY EA/TB - GBROBERTS

D - KPENDLETON

S/S - MR. MOFFAT

----- 048279

R 081958Z OCT 74

FM SECSTATE WASHDC

TO AMEMBASSY RANGOON

LIMITED OFFICIAL USE STATE 221582

E.O. 11652: N/A

TAGS: EAID, ECON, EINV, BM

SUBJECT: BURMESE DEPUTY PRIME MINISTER'S CALL ON
DEPUTY SECRETARY

1. BURMESE DEPUTY PRIME MINISTER U LWIN, ACCOMPANIED BY
THE BURMESE AMBASSADOR, CALLED ON DEPUTY SECRETARY
INGERSOLL OCTOBER 4. (STERMER OF EA/TB AND PENDLETON OF
D WERE PRESENT). FOLLOWING ARE HIGHLIGHTS OF CONVERSATION.

2. REPLYING TO QUERY ABOUT SEVERITY OF RECENT FLOODS, LWIN
SAID THAT ABOUT 50,,000 ACRES OF PADDY HAD BEEN LOST
DESPITE INTENSIVE RESTORATION AND REPLANTING EFFORTS. HE
EXPLAINED GRADUAL DIMINUTION OF RICE EXPORTS IN TERMS OF
CHANGING EATING HABITS OF RURAL POPULATION, SAYING THAT
DURING BRITISH AND IMMEDIATE POST-WAR PERIOD CORN AND MAIZE
WERE PRINCIPAL STAPLES IN DIET OF FARMER. IN RECENT YEARS
HE SAID, RURAL POPULATION HAD BECOME ACCUSTOMED TO RICE,
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 221582

THEREBY INCREASING CONSUMER DEMAND GREATLY WHILE PRODUCTION

RATES HAD NOT KEPT PACE. HE ALSO COMMENTED ON RECENT GUB RICE PURCHASE PLANS SAYING NEW PRICE STILL BELOW OPEN MARKET RATE BUT THAT GOVERNMENT WAS HOPEFUL IT WOULD IMPROVE COLLECTION.

3. ASKED ABOUT STATE OF ECONOMY, LWIN SAID IT WAS "GROWING WORSE." HE ASSERTED THAT NEXT 3-4 YEARS WOULD BE DIFFICULT PERIOD DURING WHICH BURMA WOULD BE INTRODUCING ITS NEW

STABILIZATION PROGRAM AND SEEKING ASSISTANCE FROM VARIOUS COUNTRIES, INCLUDING THE U.S. MR. INGERSOLL SAID HE WAS AWARE OF BURMA'S RECENT REQUEST FOR US ECONOMIC ASSISTANCE AND HOPED THAT THE DEPPM AND OTHER BURMESE OFFICIALS UNDERSTOOD THE REASONS FOR OUR INABILITY TO HELP AT THIS TIME. HE THEN EXPLAINED IN SOME DETAIL THE ADMINISTRATION'S DIFFICULTIES IN OBTAINING CONGRESSIONAL SUPPORT FOR ONGOING AID PROGRAMS AND FULFILLING COMMITMENTS TO OTHER COUNTRIES IN FACE OF OUR OWN ECONOMIC PROBLEMS. HE NOTED IN THIS CONTEXT THAT, PERHAPS AS WITH OTHER REQUESTS MADE TO CONGRESS, BURMA'S SITUATION MIGHT BE INCLUDED IN OUR CONSIDERATIONS NEXT YEAR. LWIN REPLIED THAT HE UNDERSTOOD AND THEN SAID THAT BURMA IN MEETING ITS ECONOMIC NEEDS WOULD CONCENTRATE ON BI-LATERAL ASSISTANCE WITH THE OBJECTIVE OF MOVING TOWARD MULTILATERAL FRAMEWORK WITH WORLD BANK HELP. HE SAID THAT BURMA AIMED TO WORK WITH UK FIRST, SEEKING INTEREST-FREE LOANS FOR PURCHASE OF MACHINERY AND SPARE PARTS MANUFACTURED IN GREAT BRITAIN, ARRANGING COMPENSATION FOR SOME \$12 MILLION OF NATIONALIZED BRITISH BUSINESS INTERESTS AND IMPLEMENTING RECENTLY SIGNED PENSIONS AGREEMENT.

4. AS FOR INDUSTRIAL DEVELOPMENT, LWIN SPOKE OPTIMISTICALLY ABOUT OFFSHORE OIL EXPLORATIONS UNDERWAY SAYING THAT EXXON PROBABLY WOULD BEGIN DRILLING FIRST FOLLOWED BY ROBINA GROUP. HE OBSERVED THAT RELATIVELY HIGH SALARIES THAT BURMESE EMPLOYEES OF THESE COMPANIES WOULD RECEIVE PRESENTED PROBLEMS FOR GUB IN PAYING ITS OWN TECHNICIANS IN SIMILAR CAPACITIES. HE ALSO ASSERTED THAT PROFIT SHARING CONTRACTS, SIMILAR TO THOSE ALREADY SIGNED, WERE BEING ACTIVELY CONSIDERED FOR ONSHORE EXPLORATION OF LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 221582

BURMA'S RICH COPPER, LEAD AND ZINC DEPOSITS. HE SAID, HOWEVER, THAT NO JOINT VENTURES WERE POSSIBLE NOW WITH PRIVATE FIRMS.

5. UPON THEIR DEPARTURE, INGERSOLL PRESENTED GUESTS COPIES OF SMITHSONIAN MAGAZINE THAT CONTAINED ARTICLE ON PAGAN.

6. CONVERSATION LASTED SOME 30 MINUTES WITH U LWIN GIVING
DISTINCT IMPRESSION OF BEING SATISFIED WITH OPPORTUN,TY TO
MEET AND RENEW HIS ACQUAINTANCE WITH THE DEPUTY SECRETARY.
KISSINGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, AGRICULTURAL PRODUCTION, INDUSTRIAL PRODUCTION, DIPLOMATIC DISCUSSIONS, FLOODS
Control Number: n/a
Copy: SINGLE
Draft Date: 08 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: elyme
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE221582
Document Source: CORE
Document Unique ID: 00
Drafter: CLSTERMER:MFG
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740286-0505
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741063/aaaacblp.tel
Line Count: 119
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: elyme
Review Comment: n/a
Review Content Flags:
Review Date: 09 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 JUL 2002 by shawdg>; APPROVED <11 MAR 2003 by elyme>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BURMESE DEPUTY PRIME MINISTER'S CALL ON DEPUTY SECRETARY
TAGS: EAID, ECON, EINV, BM, (U LWIN), (INGERSOLL)
To: RANGOON
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005